

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, SEPTEMBER 20, 2006

4:00 P.M.

IN THE CONFERENCE ROOM, 2220 SOUTH COUNTY TRAIL

EAST GREENWICH, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Board of Directors was called to order by Chairman, James V. Rosati, at 4:00 p.m., in the Conference Room, at 2220 South County Trail, East Greenwich, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: James Rosati; James Forte; Joseph Cianciolo; Kathleen Hittner, M.D; Michael Traficante; Joseph Larisa (arrived at 4:17 p.m.)

BOARD MEMBERS ABSENT: Robert Sangster.

ALSO PRESENT: Mark P. Brewer, A.A.E., President and CEO; Brian Schattle, Senior Vice President of Finance and Administration/CFO; Marci A. Greenberger, A.A.E., Senior Vice President of Operations and Maintenance; Peter Frazier, Chief Legal Counsel; and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Traficante and seconded by Mr. Forte to approve the minutes of the Board Meeting of August 16, 2006. The motion was passed unanimously.

2. Open Forum:

Mr. Rosati asked if anyone present wanted to speak in Open Forum. No one came forward.

3. Report from President and CEO:

Mr. Brewer reported that passenger numbers for August were down 14.10% and 9.31% year to date. Mr. Brewer noted that this is a national trend, and that T. F. Green Airport has seen a 19% decrease in the number of seats for sale. Mr. Brewer reported that the Corporation is continuing to focus on its marketing efforts with trips to Southwest Airlines and US Airways scheduled in the next few weeks.

Mr. Brewer gave an update on the fuel farm project and reported that the airport has not experienced any service delays since the fire at the Providence port.

Mr. Brewer gave an update on the runway construction project at

Block Island Airport

indicating that the review of the feasibility of a turf runway is substantially complete, and the appropriate approvals are expected by the end of the week. Discussion focused on the timeline for the construction of the temporary runway and its intended use.

Mr. Brewer reported that the New England Regional Airport System Plan (NERASP) has been in development for several years and a draft has been completed. There will be a briefing on October 2, 2006 at the FAA offices in Burlington to review the draft plan.

Mr. Brewer reported that he recently attended the NASAO Annual Meeting in New Orleans and at that meeting he was appointed to the NASAO Executive Committee, in the position as secretary, effective October 1, 2006. The Board congratulated Mr. Brewer on his appointment.

Mr. Frazier reported that at all meetings he will have copies of a Conflict of Interest Statement which will be available to Board Members in the event recusal is required.

4. Operations and Capital Committee Report:

Mr. Forte reported that the Operations and Capital Committee had met prior to the Board Meeting and that there had been discussion of the selection process for the CM for the Intermodal project. Mr. Forte

noted that there had also been detailed discussion of an action item which increased the GMP Agreement with Skanska for the Terminal Security Project. Mr. Forte reported that the justification for the increase was satisfactory and the Committee was recommending approval by the Board.

A motion was made by Mr. Traficante and seconded by Mr. Cianciolo to approve the items on the consent agenda. The motion was passed unanimously.

Consent Agenda:

(a) Consideration of and Action Upon Approval of a Change Order to Increase the Guaranteed Maximum Price (GMP) Agreement with Skanska USA Building, Inc. for the Terminal Security Project at T. F. Green Airport.

WHEREAS, the Rhode Island Airport Corporation (RIAC) has entered into a Guaranteed Maximum Price Agreement (GMP) with Skanska USA Building, Inc. (Skanska) to provide construction management at risk services for the Terminal Security Project in the amount of \$68.5 million; and

WHEREAS, staff, in coordination with the HNTB Design Team, Skanska, and the Southwest Airlines Airport Security Group, have reviewed the Baggage Handling System (BHS) design in an effort to

increase efficiency and have recommended certain revisions and adjustments; and

WHEREAS, the Terminal Security Project is included in the approved RIAC Fiscal Year 2007 Capital Improvement Program (CIP) budget in the amount of \$83.532 million; and

WHEREAS, \$723,471 will be reallocated from the project budget contingencies to the GMP to fund this change order.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to execute a change order to increase the GMP with Skanska for the Terminal Security Project related to the Baggage Handling System at T. F. Green Airport in an amount not-to-exceed \$723,471.

(b) Consideration of and Action Upon Approval of Two Consultant Task Orders for the Drainage Survey and GIS Development Phases of the Drainage Master Plan at T. F. Green Airport.

WHEREAS, the Rhode Island Airport Corporation (RIAC) has entered into a Professional Services Agreement (PSA) with the firm of

Vanasse Hangen Brustlin, Inc. (VHB) to perform on-call environmental services; and

WHEREAS, RIAC staff has received a scope and fee for the Drainage Survey and Geographic Information System (GIS) Development phases of the Drainage Master Plan from VHB in the amount of \$167,746 and is currently conducting negotiations; and

WHEREAS, the project is included in the approved RIAC Fiscal Year 2007 Capital Improvement Program (CIP) with a total budget of \$400,000; and

WHEREAS, this task order will be funded through the General Purpose Fund.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to execute two consultant task orders with VHB to provide services associated with the Drainage Survey and GIS Development phases of the Drainage Master Plan at T. F. Green Airport in an amount not-to-exceed \$167,746.

(c) Consideration of and Action Upon Approval of a Consultant Task Order to Provide Spill Prevention Control and Countermeasure Plan Updates.

WHEREAS, the Rhode Island Airport Corporation (RIAC) has entered into a Professional Services Agreement (PSA) with the firm of Vanasse Hangen Brustlin, Inc. (VHB) to perform on-call environmental services; and

WHEREAS, RIAC staff has received a scope and fee with VHB in the amount of \$103,958 to update the existing Spill Prevention, Control, and Countermeasure (SPCC) plans for T. F. Green, North Central, Quonset, Newport, and Westerly Airports and evaluate the need for an SPCC plan for Block Island Airport; and

WHEREAS, the approved Fiscal Year 2007 Operating and Maintenance (O&M) budget includes \$110,000 for these services.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to execute a consultant Task Order with VHB to update the existing SPCC plans for T. F. Green, North Central, Quonset, Newport, and Westerly Airports and evaluate the need for a SPCC plan for Block Island Airport in an amount not-to-exceed \$103,958.

(d) Consideration of and Action Upon Approval to Enter into a Purchase Order for the Rhode Island Pollutant Discharge Elimination System (RIPDES) Permit Water Quality Monitoring and Analysis at T.

F. Green Airport.

WHEREAS, the RIPDES Permit issued November 12, 2004 requires that the Rhode Island Airport Corporation (RIAC) conduct water quality monitoring and analysis; and

WHEREAS, RI Analytical Laboratories, Inc. (RI Analytical) is an approved vendor listed in the State's Master Price Agreement (MPA) for laboratory services and has provided similar services to RIAC in each of the last two Fiscal Years; and

WHEREAS, the approved Fiscal Year 2007 Operating and Maintenance (O&M) budget includes \$230,000 for RIPDES Sampling and Analytical services, of which \$100,000 is earmarked for water quality and monitoring analysis; and

WHEREAS, a scope and fee proposal has been received from RI Analytical Laboratories, Inc. in the amount of \$94,700. RIAC Staff recommends that RIAC enter into a purchase order with RI Analytical to conduct water quality analysis required by the RIPDES permit.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to execute a purchase order with RI Analytical to conduct water quality monitoring and analysis at T. F. Green as required by

the RIPDES permit, in an amount not-to-exceed \$94,700.

(e) Consideration of and Action Upon Approval of Consultant Task Order for Design and Construction Administration Services for the Box Culvert Project at T. F. Green Airport.

WHEREAS, the Rhode Island Airport Corporation (RIAC) has entered into a Professional Services Agreement (PSA) with the firm of PARE Engineering Corporation to perform on-call engineering services; and

WHEREAS, RIAC staff has received a scope and fee for design and construction administration of the Box Culvert project at T. F. Green Airport in the amount of \$142,000 and is currently conducting negotiations; and

WHEREAS, the Miscellaneous Security Enhancement project is included in the approved RIAC Fiscal Year 2007 Capital Improvement Program (CIP) with a total budget of \$1,232,412; and

WHEREAS, the Box Culvert project will utilize the remaining funds from the Miscellaneous Security Enhancement project; and

WHEREAS, this project will be funded 75% through the Federal Aviation Administration and 25% through the General Purpose Fund.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to negotiate and execute a consultant Task Order with PARE Engineering Corporation to perform design and construction administration services for the Box Culvert project at T. F. Green Airport in an amount not-to-exceed \$142,000.

(f) Consideration of and Action Upon Approval of a Consultant Task Order for the Rehabilitate Taxiway C Project at Newport Airport.

WHEREAS, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with McFarland-Johnson, Inc. (MFJ) to provide on-call architectural and engineering services; and

WHEREAS, RIAC has received a scope and fee from MFJ to provide design and bid phase services associated with Rehabilitate Taxiway C Project at Newport Airport in the amount of \$81,471 and staff is currently conducting negotiations; and

WHEREAS, the project is included in the approved RIAC Fiscal Year 2007 Capital Improvement Program (CIP) budget in the amount of \$530,450; and

WHEREAS, based on engineering reviews of the scope and the fee proposal received from MFJ of \$81,471 for design and bid phase

services, it is likely that additional funds beyond the original budget will be required to complete this project; and

WHEREAS, once the design phase is completed and actual construction costs can be more reasonably estimated, RIAC will apply for an FAA grant for the total revised cost and request a budget adjustment; and

WHEREAS, this Task Order will initially be funded through the General Purpose Fund with 95% (\$77,397) reimbursement from the FAA upon receipt of a Federal AIP grant offer.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to negotiate and execute a Task Order with MFJ to provide design and bid phase services for the Rehabilitate Taxiway C Project at Newport Airport in an amount not-to-exceed \$81,471.

5. Finance and Audit Committee Report:

There was no meeting in September. Mr. Cianciolo reported that all Board members had received copies of the draft Audited Financial Statements which were submitted to the Auditor General's Office. The Board of Directors unanimously voted to approve the Audited Financial Statements. (However, because there was no action item

on the agenda, the vote will be resubmitted at the next Board of Director's Meeting.)

Mr. Schattle gave an overview of the on line auction program which the Corporation is utilizing to dispose of surplus equipment.

6. Compensation Committee Report:

There was no report.

7. Executive Session:

(a) Discussion Related to Collective Bargaining – R.I.G.L. § 42-46-5(a)(2).

(b) Discussion Related to Potential (Verizon) and Pending (Parking and Police Schedule) Litigation - R.I.G.L. § 42-46-5(a)(2).

(c) Consideration of and Action Upon the Disposition of Publicly Held Property Where Advanced Public Information Would be Detrimental to the Public Interest (Lease Assignments) – R. I.G.L. § 42-46-5(a)(5).

(d) Discussion Related to Investment of Public Funds (Property Acquisition) – R. I. G. L. § 42-46-5(a)(7).

At approximately 4:19 p.m., a motion was made by Mr. Forte and

seconded by Mr. Traficante to go into Executive Session. By the following vote, the motion was passed unanimously.

YEAS: James Rosati

James Forte

Joseph Cianciolo

Kathleen Hittner, M.D.

Michael Traficante

Joseph Larisa

NAYS: None

ABSTAIN: None

At approximately 6:00 p.m., a motion was made by Mr. Traficante and seconded by Mr. Forte to reconvene to the Open Session. The motion was passed unanimously.

During the Executive Session a motion was made by Mr. Forte and seconded by Dr. Hittner to seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-4 and 42-46-5(a)(5).

8. Future Meetings:

The next meeting will be held on Wednesday, October 18, 2006, at 4:00 p.m., in the Conference Room at 2220 South County Trail, East

Greenwich, Rhode Island.

Respectfully submitted,

**James V. Rosati, Chairman
Rhode Island Airport Corporation**

**ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
BOARD OF DIRECTORS MEETING
SEPTEMBER 20, 2006**

NAME	AFFILIATION
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Patti Goldstein	RIAC
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Doug Dansereau	RIAC
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Jason Doyle	RIAC
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Ahmed Shihadeh	RIAC
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Dave Cloutier RIAC

Vince Scarano RIAC

Meredith Holderbaum Senate Fiscal Office

Don Pillsbury RIPA

Sue Pillsbury RIPA

Steve Tibbetts Landmark Aviation

John Tarantino AP&S

**THE MINUTES OF THE EXECUTIVE SESSION OF THE RIAC BOARD
OF DIRECTORS MEETING OF SEPTEMBER 20, 2006 HAS BEEN
SEALED IN ACCORDANCE WITH R.I.G.L. § 42-46-4 AND 42-46-5(a)(5).**